



September 13, 2012

The Honorable Rob Portman
United States Senate
Washington, D.C. 20510

Dear Senator Portman:

The National Federation of Independent Business is pleased to support S. 3468, the Independent Agency Regulatory Analysis Act of 2012. This legislation provides important reforms to the rulemaking process for independent agencies that will improve the regulations these agencies promulgate.

Excessive and complex regulatory burdens continue to be a hardship for many small business owners across America. In NFIB's most recent *Small Business Economic Trends*, "government requirements and red tape" ranked as the second-most frequent answer when NFIB members were asked to identify the single most important facing their small business. More than one in five respondents cited regulation as the biggest problem.

For executive agencies, there are many forms of analysis and other considerations required before a rule is promulgated. These processes have proven helpful in creating better rules that meet the desired policy goals while providing flexibility for small businesses. However, independent agencies are not required to perform such analyses – yet their rules can have just as much impact on small businesses.

The Independent Agency Regulatory Analysis Act would affirm the authority of the president to extend the same types of analyses performed by executive agencies to independent ones. In particular, the legislation would require independent agencies to evaluate costs and benefits from new rules and adopt the least burdensome approach, evaluate whether regulating will address the problem, consider alternatives to regulation, and base decisions on the best available data and science.

In addition, the Office of Information and Regulatory Affairs will be allowed to perform a review of the agencies' analyses on rules costing more than \$100 million. While OIRA will not be able to reject a rule, its evaluation will become part of the record for each rulemaking. This will make the rulemaking process more transparent.

S. 3468 is an important piece of legislation that would provide for a better rulemaking process for small business owners. NFIB looks forward to working with you to ensure it becomes law.

Sincerely,

A handwritten signature in black ink, reading "Susan Eckerly". The signature is fluid and cursive, with a long, sweeping underline.

Susan Eckerly
Senior Vice President
Public Policy

National Federation of Independent Business

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